

DALLAS CREEK WATER COMPANY, INC.

334 S. 5th Street
Montrose, CO 81401

www.dallascreekwater.com

WATER UTILITY TARIFF

Effective January 1, 2007

REVISIONS

**First Revised Tariff
Second Revised Tariff**

**Effective November 1, 2010
Effective May 3, 2017**

UTILITY TARIFF

DALLAS CREEK WATER COMPANY

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SECTION 1 - GENERAL/EXPLANATORY MATERIAL

1.1 CHECK LIST

The title page and pages listed below are inclusive and effective as of the date shown. Original and revised pages as named below contain all changes from the original tariff that are in effect on the date shown on each page.

<u>Page Number</u>	<u>Revision</u>	<u>Page Number</u>	<u>Revision</u>
1	First Revised		
2	First Revised		
3	Second Revised (T)		
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27	First Revised
28	First Revised
29	First Revised
30	First Revised
31	First Revised
32	First Revised
33	First Revised
34	First Revised
35	First Revised
36	First Revised
37	First Revised
38	First Revised
39	First Revised
40	First Revised
41	First Revised
42	Second Revised (T)
43	First Revised
44	First Revised
45	First Revised
46	First Revised
47	First Revised
48	First Revised
49	First Revised

1.2 EXPLANATION OF SYMBOLS

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate and regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.

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(T) To signify a change in text but no change in rate or regulation.

1.3 AUTHORITY. Dallas Creek Water Company, Inc. (“Company”) is a corporation incorporated in the County of Ouray, State of Colorado. The Company engages in the business of a public utility furnishing water to Customers under the jurisdiction of the Public Utilities Commission (“PUC”) of the State of Colorado.

1.4 DEFINITIONS. Unless the context specifically indicates otherwise, the meaning of terms used herein shall be as follows:

Actual Cost shall mean all direct costs applicable to the construction of a given facility, including: surveys; preliminary and design engineering; construction; inspection; administrative fees; regulatory agency fees; bond fees; all required easements and/or rights-of-way; plan approval fees; "as-built" drawings; attorneys' fees; and other costs necessary for completion.

Applicant shall mean any person, partnership, firm, corporation, or Developer and their lessees, trustees, or receivers appointed by any court, who files an application to be supplied water by the Company, or who files an application to transfer ownership of a Water Tap to serve a particular property, building or structure.

Application Approval shall mean written permission of the Company authorizing connection to a Water Main of the Company granting Applicant a license to use the water system or to receive water service from the system owned, operated or served by the Company under the terms of this tariff.

Base Service Charge shall mean a monthly recurring charge assessed to each owner of a water tap regardless of whether such owner is connected to the water system or on “standby”.

Commercial Customer shall mean all others, for e.g., a developer or owner of property with no intent to personally reside on the property.

Cross-connection shall mean any physical arrangement whereby the Company's water supply is connected, directly or indirectly, with any non-potable or unapproved water supply system, sewer drain, well, conduit, pool, reservoir, plumbing fixture or other device which contains, or may contain, any contaminated water, liquid, or other waste of unknown, non-potable or unsafe quality that could impart a contaminant to the Company's water supply as a result of backflow.

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Customer shall mean any person, partnership, firm, corporation, their lessees, trustees, or receivers appointed by any court, who has paid a Water Tap Fee, including those supplied by the Company with water and those receiving “standby” service.

Customer Facilities shall mean those facilities intended to serve one Customer only (e.g. Customer portion of the Water Service Lines).

Developer shall mean the person, firm, joint venture, partnership or corporation that owns undeveloped land (*i.e.* land that does not have immediate access to waterlines) and that seeks to have the land served by the Company.

Engineer shall mean the engineering firm, or duly authorized representative (engineer), designated by the Company to act on its behalf in all engineering and related matters. This item includes a construction inspector employed by the Engineer or Company.

Inspector shall mean the Manager, Superintendent, Engineer, agent, officers, and employees of the Company or other person so designated by the Company to perform inspections pursuant to this tariff.

Local Facilities shall mean those facilities generally designed primarily to serve individual subdivisions or platted tracts of land (*e.g.*, internal subdivision distribution lines and appurtenances).

Master Plan shall mean the adopted Master Plan of the Company, as amended from time-to-time.

Meter In-Service Charge is a monthly recurring charge for those Customers who are connected to the water system.

Oversize Costs shall mean the part of the costs of a water distribution line to be installed within or for a subdivision, but for which the Company has also assigned a transmission function that results in the need for a larger conduit. Oversize costs are the incremental difference between the Actual Costs of the size line required by the Company and the size required by the Developer; however, for purposes of determining oversize, the minimum size shall be assumed to be 8-inch diameter. Engineering and inspection costs are assumed to be proportional to estimated or experienced construction costs. Incremental costs shall be allowed for line fittings, valves, and other appurtenances (if a size increase is required).

Owner shall mean the land's record title holder or lessee.

Person shall mean any individual, firm, company, association, society, corporation, governmental entity or group.

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Public Utilities Commission (“PUC”) shall mean the Colorado Public Utilities Commission as authorized pursuant to C.R.S. § 40-1-101, *et seq.*

PUC Water Rules shall mean the current version of the PUC’s Rules Regulating Water Utilities.

Raw Water Distribution Rate is a rate charged to the golf course on Log Hill Mesa (currently called Fairway Pines) for the distribution of the water.

Rebate Agreement shall mean an agreement whereby the constructor of water facilities that purposefully benefit and serve other non-affiliated users or developments is entitled to recover over time a portion of the costs attributable to the other users or developments.

Regional Facilities shall mean those facilities generally serving the Company's Service Areas as a whole (*e.g.*, water sources and intakes, water treatment plants, pump stations, water storage tanks, water transmission lines).

Residential Customer shall mean individual owner or owners of a property with the intent to personally reside permanently or part time on the property.

Service Area shall mean the geographic area in which the Company has obtained a Certificate of Public Necessary and Convenience from the PUC. A Service Area map is shown in Section 10.

Subdivision Water Service Agreement shall mean an agreement executed by the Company and a Developer whereby the Company agrees to provide water service for a subdivision and the Developer agrees to certain terms and conditions.

Turn-on/Turn-off Fee shall mean a fee charged to every Customer to turn-off and to turn-on water service to a property. The fee shall be charged for each turn-off and turn-on performed except when the service is performed for Customers requiring maintenance to their Water Service Line.

Water Main shall mean a Company-owned water pipeline that carries and transports water and is installed in a public street or easement.

Water Tap shall mean the physical connection of the service line to a pre-approved stubout point or directly to the Water Main; Water Tap shall also generally refer to the approved right to make and/or utilize such connection.

Water Tap Fee shall mean the fee charged by the Company for right to connect to the water system subject to the terms and conditions of this tariff.

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Water Usage Rate is the rate assessed to the Customer for 1,000 gallons of water. This rate will be billed in on actual usage.

Unauthorized Connection shall mean connecting to the Company's water system without prior payment of Water Tap Fees, approval of an Application for Service Agreement and adequate supervision and inspection.

Water Service Line shall mean the water line extending from the Water Main to the Customer's building and shall include the tap on the Water Main, curb cock, curb valve and box and meter installation. The Company shall own, and be responsible for, that part of the Water Service Line in the public right-of-way or easement from the main tap to the meter pit, including the curb valve. The Customer shall own and be responsible for the remainder.

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SECTION 2 - OWNERSHIP AND OPERATION OF FACILITIES

2.1 RESPONSIBILITIES. It is the Company's responsibility to plan, finance, design, and construct all designated Regional Facilities.

It is the Owners'/Developer's responsibility to finance, design, and construct all Local Facilities as defined herein. Such facilities shall be constructed in accordance with plans and specifications approved by the Company's Engineer, and in accordance with minimum standards adopted by the Company. The Owner/Developer shall pay the Actual Cost of all such facilities.

It is the responsibility of the Customer or his builder to pay the Actual Cost and to construct the Customer owned portion of the service lines. Such service facilities shall be constructed in accordance with standards approved by the Company, and shall be inspected by the Company prior to use.

After construction, the Company shall be responsible for the maintenance, operation, repair, improvement and replacement of all Regional and Local Facilities (except as provided during the warranty period). The individual Customers shall be responsible for the maintenance and replacement of all Customer Facilities with the exception of water meters and that part of each Water Service Line owned by the Company, which are or shall become the property and responsibility of the Company. The Company shall not be liable or responsible for inadequate water delivery or interruption of any services brought about by circumstances beyond its control.

2.2 LIABILITY. All mains, services, apparatus, instruments, meters, regulators and materials supplied by the Company at its expense or under its standard policies will be and remain the property of the Company. The Company's property shall not be worked upon or interfered with by the Customer or other unauthorized persons.

The Customer shall be responsible for any damage to or loss of the Company's property located on the Customer's premises, caused by or arising out of the negligence of the Customer or Customer's agents, employees, licensees, or invitees, or misuse of unauthorized use of the Company's property by the Customer or Customers' agents, employees, licensees, or invitees. The cost of making good such loss and/or repairing such damage shall be paid by the Customer. The Customer shall be held responsible for injury to the Company's employees if caused by the Customer's negligence.

The Customer shall be responsible for any injury to persons or damage to the property occasioned or caused by the negligence of the Customer or any of the Customer's agents,

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employees, licensees or invitees in installing, maintaining, operating or using any of the Customer's piping, equipment, machinery or apparatus, and for injury and damage caused by defects in the same.

The Company shall not be liable for injury to persons, damage to property, monetary loss, or loss of business caused by accidents, acts of God, fires, floods, strikes, wars, authority or orders of the government, or any other causes and contingencies beyond its control.

2.3 INDEMNITY TO COMPANY. The Customer shall hold the Company harmless and indemnify it against all claims and liability for injury to persons or damage to property when such damage or injury results from or is occasioned by the facilities located on the Customer's side of the point of delivery unless caused by the negligence or wrongful acts of the Company's agents or employees. "Customer" and "Company" as used herein shall include without limitation the agents, employees, licensees or contractors of each of said parties, or persons acting with permission or authorization from the respective parties.

2.4 OWNERSHIP OF FACILITIES. All existing and future Regional and Local Facilities connected with and forming an integral part of the Company's system and accepted for operation and maintenance pursuant to this tariff shall become and are the property of the Company, unless any contract with an Owner or Customer provides otherwise. Said ownership shall remain valid whether the lines are constructed, financed, paid for, or otherwise acquired by the Company, or by other Persons.

That portion of all existing or future services lines extending from the Water Meter to each unit or building for each Customer that is connected with and forms an integral part of the Company's water system shall become and is the property of the Owner/Customer. This principle shall not be changed by the fact that the Company might construct, finance, pay for, repair, maintain or otherwise affect the Customer's service line.

All water meters and curb valves are the property of the Company. Said ownership shall remain valid whether the meters and/or curb valves are installed, financed, paid for, repaired or maintained by another person or whether the meters and/or curb valves are located on privately owned and maintained service lines, in privately owned area.

2.5 ACCESS FOR COMPANY'S EMPLOYEES. The Customer will provide access to his premises at all reasonable times for authorized employees of the Company for any proper purpose incidental to the supplying of water services.

2.6 OTHER RESPONSIBILITIES OF THE CUSTOMER. Water Service Lines. Each Customer should be responsible for maintaining the entire length of his Water Service Line

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downstream of the meter pit. The costs to repair damage or breaks in the Customer portion of the Water Service Line shall be the responsibility of the Customer. For safety or emergency concerns, should a leak be detected on the Customer portion of the water service line, the Company may discontinue service to the customer.

The Customer shall promptly notify the Company if he/she believes there is any inaccuracy in meter readings.

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SECTION 3 – PROVISION OF WATER SERVICE TO CUSTOMERS AND BILLING

3.1 WHO MAY USE. Water services shall be furnished subject to this tariff. It shall be incumbent upon the Applicant to furnish satisfactory evidence of location within the Company’s PUC-approved Service Area whenever the Company requests such evidence. Satisfactory evidence shall consist of a legal survey relative to the Company’s Service Area boundaries.

3.2 COMMITMENT TO SERVE. A request submitted to the Company by a property owner for a confirmation or a commitment to serve the property with water service shall be granted to any Applicant within the Company’s Service Area subject to such property owner paying all applicable fees.

3.3 APPLICATION FOR SERVICE. Application for Service Agreement (or Application for Transfer of Ownership of an existing Water Tap, as the case may be) (hereinafter, “application” or “Application”) must be filed with the Company on forms provided by the Company and accompanied by appropriate fees prior to any action to connect to the system. Only upon authorized approval of the application and a receipt therefore may a connection or a continued connection to the system be made. The location of the water meter and the remote reading device (if required) shall be indicated on all applications for service.

If a fire protection water sprinkler system is to be used, a plan of the system is to accompany the application and is subject to the approval of the Company. All fire sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all applicable Company, County, and State building and fire protection regulations.

An application shall contain the following information.

- a. A description of the premises to be served by reference to a land survey, or by designation of Lot and Block, or other legal description adequate to define the area to be served by convenient references.
- b. A description of the building, or buildings, to be constructed and their purpose. If the buildings are to be used for commercial or industrial purposes (any use other than residential) then the Applicant shall furnish an estimate of expected peak and average flow loads, with calculations and information as required by the Company Engineer.

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- c. An acknowledgement and agreement by the Applicant that use under the Water Tap must be as limited and defined by applicable law and this tariff.
- d. If a use is proposed which could result in high rate service demands, then the Company may require that the Applicant submit additional information regarding demands or load rates.
- e. A copy of the Subdivision Water Service Agreement applicable to the property to be served and evidence that no uncured deficiencies are outstanding pursuant to the terms of such agreement.

3.4 SEPARATE APPLICATION APPROVALS AND WATER TAPS. No water user in or upon any premises to which water is supplied under an Application Approval for such premises shall supply, or allow water to be supplied, for use on any other premises unless an Application Approval for use on such other premises shall have been procured.

An Application Approval is required for each and every building using water. The Water Tap which is the subject of the Application Approval must be used in connection with a property described in a Subdivision Water Service Agreement or other approved property and shall not be transferred without the prior written approval of the Company. The Water Service Lines to any structure served by the Company must be independent of the service to any other structure, except where the structures involved comprise an undivided unit with no potential for separate ownership. Individual Water Service Lines and meters shall be required for each individual Owner, unless specific exemption has been granted by the Company.

3.5 INCREASED SERVICE FOR EXISTING CUSTOMERS. Except for single family residential Customers, any water Customer/Owner expanding his building or structures or otherwise increasing water demands, must apply for a modified Water Tap approval whether or not an increase in service pipe size is determined to be required. In these cases, the Owner shall pay incremental Water Tap Fees at the rate in effect at the time the modified Water Tap approval is issued. This provision does not apply to a single family or multi-family residential customer making improvements or changes to its residence or property that are residential and domestic in nature, i.e. non-commercial; provided however, this provision shall apply to the extent a residential Customer adds a new, separate building, unit or structure on its property or changes its use of existing buildings or the property from residential.

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3.6 TRANSFER OF WATER TAPS. A Water Tap is held by the title owner(s) of a particular lot or premises and attaches to the designated premises only. They are usable only in accordance with the terms of the Application Approval for such Water Tap. Neither approvals nor the associated Water Tap Fees are transferable to other persons/entities without payment of the Water Tap Transfer Fees set forth in the schedule of utility rates and fees in effect at the time of the transfer.

3.7 REVOCATION OF APPLICATION APPROVAL. The Company reserves the right to revoke any prior approval of an Application and Water Tap rights before service has been provided for any violation of this tariff and/or non-payment of Base Service Charge. The Company will provide written notice to the Customer thirty (30) days in advance before the revocation occurs. In the notice, the Company will state the basis for revocation, what action the Customer must take to avoid revocation and that the Customer may contact the PUC for a formal or informal complaint. The PUC contact information is as follows:

Colorado Public Utilities Commission
1560 Broadway, Suite 250
Denver, Colorado 80202
303-894-2070 or 1-800-456-0858 (within Colorado only)

3.8 SERVICE CONNECTION. Upon Applicant's agreement to pay the applicable Water Tap Fees and other applicable charges, the Company shall supply a meter pit and water meter for each approved service connection, at the request of the Customer at such time water service is sought to begin. Cost of the installation of a Water Service Line from the meter pit to the Applicant's residence or property, including installation of the meter pit, shall be borne by the Applicant. The Company shall approve the meter pit location prior to installation. Applicant shall:

- a. install the meter pit furnished by the Company to its specifications;
- b. provide and maintain the Applicant's facilities for the reception and use of water from said meter at Applicant's sole cost ;
- c. assume all responsibility for damages arising from the leakage or breakage of Applicant's facilities, including damage by water therefrom; and

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- d. Applicant may (or shall, if necessary for safety or protection of the Water System) install a pressure reduction valve in the Applicant's residence or facilities to allow the Applicant to control maximum service pressures. Applicant agrees not to install pressure reduction valves or other equipment in the meter pit, which shall contain only the meter.

3.9 METERS, SERVICE LINES AND CONNECTIONS.

3.9.1 Cost Responsibilities. The Company shall furnish, install and maintain all meters and remote sensors at the Company's expense. The Company will also furnish and install that portion of the Water Service Lines, including the curb cock and curb box, from its Water Main to the curb or property line and the expenses for such materials and installation shall be borne by the Applicant. The actual cost will be paid by the Applicant. After installation, the facilities shall thereafter remain the property of and be maintained by the Company. Each Customer shall own and be responsible for the cost of construction, maintenance, and replacement of that portion of the Water Service Line from the meter pit to the building or structure served.

3.9.2 Design - Construction. All Water Service Lines shall be constructed in accordance with the minimum standards as set forth in Section 8. All water services installed hereafter shall be equipped with a Customer meter. Services shall not be used until inspected and approved by the Company.

3.9.3 Pressure Regulating and Relief Valves. All Water Service Lines shall be equipped with a line pressure regulating valve, except in areas specifically exempted by the Company's Engineer. Pressure regulating valves shall be upstream of all uses.

3.10 EASEMENTS AND RIGHTS OF WAY. The Company shall have a right of way to construct, install and maintain all Water Mains and facilities necessary in order to provide service to the Developer/Owner, including without limitation, main distribution and Water Service Lines necessary to render service to the Developer/Owner, together with all-weather vehicular public right of way for ingress and egress to read and to service the meter and appurtenances. Upon request Applicant agrees to execute such easements or other instruments of conveyance necessary to establish such right of way of the Company across and over the above described land owned by the Developer/Owner. The Company reserves the right to discontinue service or take other action to enforce its easement rights should a Developer/Owner deny access to such easements. The Company shall use care and diligence to prevent any damage to lands of the Developer/Owner resulting from such construction or access.

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3.11 FIRE PROTECTION SERVICE. An Application Approval or Water Tap to take and use water from the water system for private fire protection service will be granted only upon the following conditions:

- a. The Applicant shall have secured an Application Approval for water service from the Company.
- b. The Applicant shall have specified, with particularity, the fire protection facilities for which water service is desired.
- c. The Applicant shall have executed an agreement adequate to control the use of the fire protection facilities to assure that they shall not be used for any purpose other than extinguishing fires, and related uses. Unless specifically exempted by the Company, each direct fire protection Water Service Line shall be equipped with an approved flow detection device. These facilities are subject to inspection at the Company's discretion.
- d. If the water is to be supplied for fire protection through the same Water Service Line through which water is supplied for other purposes, the fire protection facilities shall be so installed as to prevent the use of water through such facilities for any purpose other than fighting hostile or unfriendly fires.
- e. The Company assumes no obligation for adequacy of private fire protection service.

The only use for which water may be taken from fire protection facilities under an Application Approval is for extinguishment of fires, and related purposes.

3.12 MOVED OR DESTROYED BUILDINGS. When buildings are moved or destroyed, the original Water Tap authorization shall remain in good standing, provided that uninterrupted payment of the Company's Base Service Charge has continued. If payment of the Base Service Charge ceases for any reason, said tap shall be in violation of this tariff and the tap may be revoked subject to Section 3.4. Non-payment within ninety (90) days of the billing date shall be considered cessation of payment of the Base Service Charge.

3.13 UNAUTHORIZED CONNECTIONS. No person shall be allowed to connect onto the water system without prior payment of the Water Tap Fee, approval of Application for Service

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Agreement, and adequate supervision and inspection of the prior connection by Company employees. In the event the Water Tap Fees are not paid within the fifteen (15) day period, a notice of revocation of service shall be sent and service shall be disconnected pursuant to Section 3.4 of this tariff. Once discontinued, service may be returned to the property only upon receipt by the Company of any Turn-on/Turn-off Fees, or any other charges that may be due pursuant to this tariff.

3.14 DISCONTINUANCE OF SERVICE. The Company shall not discontinue connected water service to a Customer for any reason other than nonpayment of regulated fees and charges; fraud or subterfuge; service diversion, equipment tampering, safety concerns, exigent circumstances; discontinuance ordered by any appropriate governmental authority and properly discontinued service being restored by someone other than the Company when the original cause for proper discontinuance has not been cured.

3.14.1 The Company shall not discontinue water service for nonpayment of any of the following:

(I) Any amount that has not appeared on a regular monthly bill or that is not past due. Unless otherwise stated in a tariff or Commission rule, an account becomes "past due" on the 31st day following the due date of current charges.

(II) Any amount due on another account now or previously held or guaranteed by the Customer, or with respect to which the Customer received service, unless the amount has first been transferred either to an account which is for the same class of service or to an account which the Customer has agreed will secure the other account. Any amount so transferred shall be considered due on the regular due date of the bill on which it first appears and shall be subject to notice of discontinuance as if it had been billed for the first time.

(III) Any amount due on an account on which the Customer is or was neither the Customer of record nor a guarantor, or any amount due from a previous occupant of the premises. This subparagraph does not apply if the Customer is or was obtaining service through fraud or subterfuge or the Company transfers to a Customer a balance from the account of a person other than that Customer shall have in its tariffs the Company's benefit of service transfer policies and criteria. The Company will verify, prior to billing a Customer under the benefit of service tariff, that the person to be billed in fact received the benefit of service.

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(IV) Any amount due on any account for which the present Customer is or was the Customer of record, if another person established the account through fraud or subterfuge and without the Customer's knowledge or consent.

(V) Any delinquent amount, unless the Company can supply billing records from the time the delinquency occurred.

(VI) Any debt except that incurred for service rendered by the Company in Colorado.

3.14.2 If the Company discovers any connection or device installed on the Customer's premises which would prevent the meter from registering the actual amount of water used, the Company shall do one of the following:

(I) Remove or correct such devices or connections. If the Company takes this action, it shall leave at the premises a written notice which advises the Customer of the violation, of the steps taken by the Company to correct it, and of the Company's ability to bill the Customer for any estimated water consumption not properly registered. This notice shall be left at the time the removal or correction occurs.

(II) Provide the Customer with written notice that the device or connection must be removed or corrected within 15 days and that the Customer may be billed for any estimated water consumption not properly registered. If the Company elects to take this action and the device or connection is not removed or corrected within the 15 days permitted, then within seven calendar days from the expiration of the 15 days, the Company shall remove or correct the device or connection pursuant to subparagraph of this Section.

3.14.3 If a Company discovers evidence that any Company-owned equipment has been tampered with or that service has been diverted, the Company shall provide the Customer with written notice of the discovery. The written notice shall inform the Customer of the steps the Company will take to determine whether non-registration of water consumption has or will occur and shall inform the Customer that the Customer may be billed for any estimated water consumption not properly registered. The Company shall mail or hand-deliver the written notice within three calendar days of making the discovery of tampering or service diversion.

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3.14.4 A Company shall not discontinue service, other than to address safety concerns or in exigent circumstances, if one of the following is met:

(I) If a Customer at any time tenders full payment in accordance with the terms and conditions of the notice of discontinuance to a Company employee authorized to receive payment, including any employee dispatched to discontinue service. Payment of a charge for a service call shall not be required to avoid discontinuance.

(II) If a Customer pays, on or before the expiration date of the notice of discontinuance, at least one-tenth of the amount shown on the notice and enters into an installment payment plan with the Company pursuant to Installment Payment Section 3.12.

(III) If it is between 12 Noon on Friday and 8 a.m. the following Monday; between 12 Noon on the day prior to and 8:00 a.m. on the day following any state or federal holiday; or between 12 Noon on the day prior to and 8:00 a.m. on the day following any day during which the Company's local office is not open.

(IV) If discontinuance of residential service would aggravate an existing medical condition or would create a medical emergency for the Customer or a permanent resident of the Customer's household, as evidenced by a written medical certification from a Colorado-licensed physician or health practitioner acting under a physician's authority. The certification shall show clearly the name of the Customer or individual whose illness is at issue and the Colorado medical identification number, the telephone number, and the signature of the physician or health care practitioner acting under a physician's authority who certifies the medical emergency. The certification shall be incontestable by the Company as to medical judgment, although the Company may use reasonable means to verify the authenticity of the certification. A medical certification is effective on the date it is received by the Company and is valid to prevent discontinuance of service for 60 days. The Customer may receive one 30-day extension by providing a second medical certification prior to the expiration of the original 60-day period. A Customer may invoke this subparagraph only once in any 12 consecutive month period.

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3.15 NOTICE OF DISCONTINUANCE.

3.15.1 The Company shall provide, by first class mail or by hand-delivery, written notice of discontinuance of service at least 15 days in advance of any proposed discontinuance of service. The notice shall be conspicuous and in easily understood language, and the heading shall contain, in capital letters, the following warning:

THIS IS A FINAL NOTICE OF DISCONTINUANCE OF UTILITY SERVICE AND CONTAINS IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS AND REMEDIES. YOU MUST ACT PROMPTLY TO AVOID UTILITY SHUT OFF.

3.15.2 The body of the notice of discontinuance shall advise the Customer of the following:

- (I) The reason for the discontinuance of service and of the particular rule (if any) which has been violated.
- (II) The amount past due for utility service, deposits, or other regulated charges, if any.
- (III) The date by which an installment payment plan must be entered into or full payment must be received in order to avoid discontinuance of service.
- (IV) How and where the Customer can pay or enter into an installment payment plan prior to the discontinuance of service.
- (V) That the Customer may avoid discontinuance of service by entering into an installment payment plan with the Company and the Company's applicable tariff.
- (VI) That the customer has certain rights if the Customer or a member of the Customer's household is seriously ill or has a medical emergency.
- (VII) That the Customer has the right to dispute the discontinuance directly with the Company by contacting the Company, and how to contact the Company toll-free from within the Company's service area.

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(VIII) That the Customer has the right to make an informal complaint to the External Affairs Section of the Commission in writing, by telephone, or in person, along with the Commission’s address and local and toll-free telephone number. The contact information is:

Colorado Public Utilities Commission
 1560 Broadway, Suite 250
 Denver, Colorado 80202
 303-894-2070 or 1-800-456-0858 (within Colorado only)

(IX) That the Customer has the right to file a formal complaint, in writing, with the Commission pursuant to rule 1302 and that this formal complaint process may involve a formal hearing.

(X) That in conjunction with the filing of a formal complaint, the Customer has a right to file a motion for a Commission order ordering the Company not to disconnect service pending the outcome of the formal complaint process and that the Commission may grant the motion upon such terms as it deems reasonable, including but not limited to the posting of a cash deposit or bond with the Company or timely payment of all undisputed regulated charges.

(XI) That if service is discontinued for non-payment, the Customer may be required, as a condition of restoring service, to pay reconnection and collection charges in accordance with the Company's tariff.

(XII) That qualified low-income Customers may be able to obtain financial assistance to assist with the payment of the Company bill and that more detailed information on that assistance may be obtained by calling the Company toll-free. The Company shall state its toll-free telephone number.

3.15.3 At the time it provides notice of discontinuance to the Customer, a Company shall also provide written notice by first class mail or hand-delivery to any third-party the Customer has designated in writing to receive notices of discontinuance or broken arrangement.

3.15.4 A discontinuance notice shall be printed in English and a specific language or languages other than English where the Company’s service territory contains a

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population of at least ten percent who speak a specific language other than English as their primary language as determined by the latest U.S. Census information.

3.15.5 A Company shall explain and shall offer the terms of an installment payment plan to each Customer who contacts the Company in response to a notice of discontinuance of service.

3.15.6 Following the issuance of the notice of discontinuance of service, and at least 24 hours prior to discontinuance of service, a Company shall attempt to give notice of the proposed discontinuance in person or by telephone both to the Customer and to any third party the Customer has designated in writing to receive such notices. If the Company attempts to notify the Customer in person but fails to do so, it shall leave written notice of the attempted contact and its purpose.

3.15.7 If a Customer has entered into an installment payment plan and has defaulted or allowed a new bill to remain unpaid past its due date, a Company shall provide, by first class mail or by hand-delivery, a written notice to the Customer. The notice shall contain:

- (I) A heading as follows: NOTICE OF BROKEN ARRANGEMENT.
- (II) Statements that advise the Customer:
 - (a) That the Company may discontinue service if it does not receive the monthly installment payment within ten days after the notice is mailed or hand-delivered.
 - (b) That the Company may discontinue service if it does not receive payment for the current bill within 30 days after its due date.
 - (c) That, if service is discontinued, the Company may refuse to restore service until the Customer pays all amounts for regulated service more than 30 days past due and any collection or reconnection charges.
 - (d) That the Customer has certain rights if the Customer or a member of the Customer's household is seriously ill or has a medical emergency.

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3.15.8 That the Company is not required to provide notice if one of the following applies:

- (I) The situation involves safety concerns or exigent circumstances (for e.g., a broken service line).
- (II) Discontinuance is ordered by any appropriate governmental authority.
- (III) The Company discovers any connection or device installed on the Customers premises which would prevent the meter from registering the actual amount of water used or if the Company discovers evidence that the Company-owned equipment has been tampered with or that the service has been diverted.
- (IV) Service, having been already properly discontinued, has been restored by someone other than the Company and the original cause for discontinuance has not been cured.

3.15.9 Where a Company knows that the service to be discontinued is used by Customers in multi-unit dwellings, in places of business, or in a cluster of dwellings or places of business and the Company service is recorded on a single meter used either directly or indirectly by more than one unit, the Company shall issue notice as required in paragraphs (a) and (b) of this rule, except that:

- (I) The notice period shall be 30 days.
- (II) Such notice may include the current bill.
- (III) The Company shall provide written notice to each individual unit, stating that a notice of discontinuance has been sent to the party responsible for the payment of Company bills for the unit and that the occupants of the units may avoid discontinuance by paying the next new bill in full within 30 days of its issuance and successive new bills within 30 days of issuance.

3.16 RESTORATION OF SERVICE. Unless prevented from doing so by safety concerns or exigent circumstances, the Company shall restore, without additional fee or charge, any discontinued service which was not properly discontinued or restored. The Company shall

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restore service within 24 hours (excluding weekends and holidays), or within 12 hours if the Customer pays any necessary after-hours charges (\$60 per hour) established in tariffs, a) if the Customer pays in full the amount for regulated charges shown on the notice and any deposit and/or fees as may be specifically required by the Company's tariff in the event of discontinuance of service; b) pays any reconnection and collection charges specifically required by the Company's tariff, enters into an installment payment plan, and makes the first installment payment, unless the cause for discontinuance was the Customer's breach of such an arrangement; c) presents a medical certification; and d) demonstrates to the Company that the cause for discontinuance, if other than non-payment, has been cured.

3.17 BILLING INFORMATION AND PROCEDURES. All bills issued to Customers for metered service furnished shall show:

- a) The dates and meter readings beginning and ending the period during which service was rendered;
- b) An appropriate rate or rate code identification;
- c) Net amount due for regulated charges;
- d) The date by which payment is due, which shall not be earlier than 15 days after the mailing or the hand-delivery of the bill;
- e) A distinct marking to identify an estimated bill;
- f) The total amount of all payments or other credits made to the Customer's account during the billing period;
- g) Any past due amount. Unless otherwise stated in a tariff or Commission rule, an account becomes "past due" on the 31st day following the due date of current charges;
- h) The identification of, and amount due for, unregulated charges, if applicable;
- i) Any transferred amount or balance from any account other than the Customer's current account and all other essential facts upon which the bill is based, including factors and constants, as applicable.
- j) The customer may elect to receive e-billing (electronic billing), rendered in lieu of a printed bill. The e-bill shall contain the same disclosures and commission-required information as contained on the printed bill. The customer will not be charged a fee for the election, but must affirmatively consent to the e-billing option. The customer will not be charged a fee for using payment options that is any different than the fee charged to customers using the same payment options and receiving printed bills. Any convenience fees charged to the customer for payment options will be determined by the fee charged to the utility and will be passed through without any markup to the customer. The date by which payment of the e-bill is due will be shown on the e-bill, which shall not be earlier than 15 days after the transmission date of the e-bill.

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3.18 ADJUSTMENTS FOR METER BILLING ERRORS. The Company shall adjust Customer charges for water incorrectly metered or billed as follows:

- (a) When, upon any meter accuracy test, a meter is found to be running slow in excess of error tolerance levels, the Company may charge for one-half of the under-billed amount for the period dating from the discovery of the meter error to the previous meter test, with such period not exceeding two years.
- (b) When, upon any meter accuracy test, a meter is found to be running fast in excess of error tolerance levels, the Company shall refund one-half of the over-billed amount for the period dating from the discovery of the meter error to the previous meter test, with such period not exceeding two years.
- (c) When a meter does not register, registers intermittently, or partially registers for any period, the Company may equitably estimate a charge for the water used based on amounts metered to the Customer over similar periods in previous years. The period for which the Company charges the estimated amount shall not exceed two years.
- (d) In the event of under-billings not provided for in subparagraphs (a) or (c), such as an incorrect multiplier, register, or billing error, the Company may charge for the period during which the under-billing occurred, with such period not exceeding two years.
- (e) In the event of over-billings not provided for in subparagraph (b) of this rule, such as an incorrect multiplier, register, or billing error, the utility shall refund for the period during which the over-billing occurred with such period not exceeding two years.

3.18.1 The periods set out in Section shall commence on the date on which (1) either the Customer notifies the utility or the utility notifies the Customer of a meter or billing error or (2) the Customer informs the utility of a billing or metering error dispute or makes an informal complaint to the External Affairs section of the Commission.

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3.18.2 In the event of an over-billing, the Customer may elect to receive the refund as a credit to future billings or as a one-time payment. If the Customer elects a one-time payment, the utility shall make the refund within 30 days. Such over-billings shall not be subject to interest.

3.18.3 In the event of under-billing, the Customer may elect to enter into a payment arrangement on the under-billed amount. The payment arrangement shall be equal in length to the length of time during which the under-billing lasted. Such under-billings shall not be subject to interest.

3.19. INSTALLMENT PAYMENTS. The Company offers an installment payment plan. The plan is to pay regulated charges from past billing periods and the past due amount arises solely from events under the Company's control (such as, without limitation, meter malfunctions, billing errors, utility meter reading errors, or failures to read the meter, except where the Customer refuses to read the meter and it is not readily accessible to the Company). The Company shall advise a Customer who is eligible for this type of plan of the Customer's eligibility. At the request of the Customer and at the Customer's discretion, an installment payment plan under this subparagraph shall extend over a period equal in length to that during which the errors were accumulated and shall not include interest.

The Customer pays at least ten percent of the amount shown on the notice of discontinuance for regulated charges and enters into an installment payment plan on or before the expiration date of the notice of discontinuance.

The Customer pays at least ten percent of any regulated charges amount more than 30 days past due and enters into an installment payment plan on or before the last day covered by a medical certification. A Customer who has entered into and failed to abide by an installment payment plan prior to receiving a medical certification shall pay all amounts that were due for regulated charges up to the date on which the Customer presented a medical certification and then may resume the installment payment plan.

If service has been disconnected, the Customer pays at least any collection and reconnection charges and enters into an installment payment plan. This subparagraph shall not apply if service was discontinued because the Customer breached a prior payment arrangement.

3.19.1 Installment payment plans shall include the following amounts that are applicable at the time the Customer requests a payment arrangement:

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- (I) The unpaid remainder of amounts due for regulated charges shown on the notice of discontinuance.
- (II) Any amounts due for regulated charges not included in the amount shown on the notice of discontinuance which have since become more than 30 days past due.
- (III) All current regulated charges contained in any bill which is past due but is less than 30 days past the due date.
- (IV) Any new regulated charges contained in any bill which has been issued but is not past due.
- (V) Any regulated charges which the Customer has incurred since the issuance of the most recent monthly bill.
- (VI) Any collection fees as provided for in the Company's tariff, whether or not such fees have appeared on a regular monthly bill.
- (VII) Any deposit, whether already billed, billed in part, or required by the Company's tariff, due for discontinuance or delinquency or to establish initial credit, other than a cash deposit required as a condition of initiating service.
- (VIII) Any other regulated charges or fees provided in the Company's tariff (including without limitation miscellaneous service charges, investigative charges, and checks returned for insufficient funds charges), whether or not they have appeared on a regular monthly bill.

3.19.2 Within seven calendar days of entering into a payment arrangement with a Customer, a Company shall provide the Customer with a copy of this rule and a statement describing the payment arrangement. The statement describing the payment arrangement shall include the following:

- (I) The terms of the payment plan.
- (II) A description of the steps which the Company will take if the Customer does not abide by payment plan.

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3.19.3 An installment payment plan shall consist, at a minimum, of equal monthly installments for a term selected by the Customer but not to exceed six months. In the alternative, the Customer may choose a modified budget billing, leveled payment, or similar tariffed payment arrangement in which the total due shall be added to the preceding year's total billing to the Customer's premises, modified for any base rate or cost adjustment changes. The resulting amount shall be divided and billed in 11 equal monthly budget billing payments, followed by a settlement billing in the twelfth month, or shall follow other payment-setting practices consistent with the tariffed plan available.

3.19.4 For an installment payment plan entered into pursuant to this rule, the first monthly installment payment, and with the new charges (unless the new charges have been made part of the arrangement amount) shall be due on a date which is not earlier than the next regularly-scheduled due date of the Customer who is entering into the installment payment plan. Succeeding installment payments, together with the new charges, shall be due in accordance with the due date established in the installment payment plan. Any payment not made on the due date established in the installment payment plan shall be considered in default. Any new charges that are not paid by the due date shall be considered past due.

3.20 TURN-ON/TURN-OFF OF SERVICE. All turn-on and turn-offs of water service through a curb valve on a Water Service Line that has been connected to the Company's water system shall be performed only by Company personnel regardless of the ownership of the curb valve or Water Service Line and regardless of the circumstances respecting the turn-on or turn-off. The Company shall assess a single turn-off/turn-on charge in an amount as set forth in the fee schedule approved by the PUC for any such turn-off and turn-on performed except when the service is performed for Customers requiring maintenance to their Water Service Line, in which case there shall be no charge. Except for those turn-off/turn-on specifically provided for by this tariff, the Company shall provide this service only for (1) a tap for new construction, one time prior to the occupancy of the building served, and (2) for Customers requiring service to be turned off for maintenance of a service line.

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SECTION 4 – WATER SYSTEM (GENERAL)

4.1 UNAUTHORIZED TAMPERING WITH SYSTEM

4.1.1 No unauthorized Person shall uncover, use, alter, disturb, or make any connection with, or opening onto, use, alter, or disturb the water system, without first obtaining a written permit from the Company. Unauthorized uses of the Company's system include, but are not limited to, turning-on or turning-off of water without authorization, tampering with or in any way modifying any meter, even though the same may be performed on a privately owned and maintained service line.

4.1.2 Any Person who shall violate the provisions of this Section 4.1 shall be prosecuted to the full extent of Colorado law.

4.1.3 Any Person violating any of the provisions of this tariff shall become liable to the Company for any expense, loss or damage occasioned by reason of such violation.

4.2 WATER SYSTEM. The Company's potable water system has been planned and constructed to provide potable water for conventional domestic and commercial uses and fire protection and irrigation water for single-family residential uses. Persons wanting to use the water system for an industrial or high-demand commercial water supply, which could be expected to require large quantities of water or unusual demand rates, shall be required to submit projected usage and water demand data at time of application for service. The Application Approval may contain use limitations as determined necessary by the Company.

4.2.1 Cross-Connection/Dual-Supply. Water from the Company's potable system and water from any other source shall be distributed through systems entirely independent of each other and Cross-connection between such supplies is prohibited.

All automatic lawn sprinkler systems shall be equipped with an approved vacuum breaker installation. All plumbing installations shall be designed and installed in conformity with the latest edition of the Manual, Cross-Connection Control, published by the Colorado Department of Public Health and Environment.

Where a potential of backflow is present, an acceptable protective device or system shall be installed to prevent its occurrence. All backflow prevention installations shall be approved by

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the Company. The Customer shall install, operate, test, and maintain the backflow devices. The Customer shall provide the Company with yearly, certified test results of the backflow devices. Tests shall be made on the device at a minimum of one per year, or as determined by the Company.

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SECTION 5 – SUBDIVISION SERVICE AND LINE EXTENSION POLICIES

5.1 GENERAL POLICY. New service shall be furnished only after the following conditions are met:

- a. The proposed property owned by the Developer/Customer is included within the Company's Service Area;
- b. Regional Facilities needed to serve the Developer/Customer have been provided by the Company;
- c. All Local Facilities needed to serve the Developer/Customer are in place and have had design and construction approval by the Company's Engineer;
- d. All costs of Local Facilities have been paid by the Developer/Customer;
- e. The Customer's Water Service Lines have been installed at the Customer's expense in accordance with Company standards and the Company has approved the construction;
- f. The required Water Tap Fees have been paid; and
- g. The Customer/Developer and the Company have executed a Subdivision Water Service Agreement and/or an Application for Service Agreement, as applicable.

5.2 SUBDIVISION WATER SERVICE AGREEMENT. Developers desiring water service to new areas within the Company's Service Area or new or further subdivided developments within the Company's Service Area shall enter into a Subdivision Water Service Agreement.

5.2.1 Taps and Meters. The Company shall be the sole provider of water utilities to the entire subdivision. Each residential and commercial lot within the subdivision shall require one individual water tap and water meter. Water service to any non-fire hydrant use of water within the subdivision serving common area elements of the subdivision or greenbelt areas shall require an additional individual water tap and water meter, which shall be administered and billed as a

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residential water tap. Tap Fees paid by the Developer for the subdivision shall not be transferable to any other property without the express written agreement of the Company.

In the event that Developer has not remitted the total amount of all Water Tap Fees due for the subdivision to the Company within one (1) year of the date of the execution of the Subdivision Water Service Agreement, the Agreement shall be void and unenforceable upon written notice of cancellation by the Company to Applicant and to the Ouray County Land Use Department. In that event, the Company shall not be liable for any costs, liabilities or financial obligations of the Developer related to the development, construction costs, delays in approvals, etc.

5.2.2. Fees. Developer shall execute an Application for Service Agreement and remit a Water Tap Fee for every tap within the subdivision. Developer's payment of Tap Fees shall be required prior to initiation of water service to the subdivision, and shall be due upon completion of the installation of water lines and appurtenances within the subdivision, or thirty (30) days from preliminary subdivision approval by Ouray County, whichever shall occur first.

5.3 LOCAL FACILITIES.

5.3.1 General. At Developer's sole cost and obligation, Developer shall install Water Mains and associated water supply equipment, including but not limited to, fire hydrants, shutoff valves, isolation and pressure reduction valves within the lines serving the subdivision, as well as extension of existing lines to serve the subdivision. Prior to installation of Local Facilities, the Developer/Owner shall be required to sign a warranty that the subdivision's water distribution system shall be suitable for the intended use, including a guarantee of all materials, appurtenances, and installation methods for a period of three (3) years from the date the Company accepts the installation into its water system. The warranty shall require the Developer/Owner to reimburse the Company at the Company's standard billing rates during that three-year warranty period for all costs of repairs resulting from line breaks, leakage, settlement or materials failure. The Company may also require financial information and/or a bond from the Developer/Owner to guarantee performance of this warranty.

5.3.2 Ownership. Unless specifically excepted by the Company in writing, all water pipelines located within the Company's Service Area shall be owned by the Company. If required by the Company, Developers or Owners who have completed construction of water lines shall deed these lines and appurtenances and other local facilities to the Company, free and clear of all liens and encumbrances.

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At the end of the three-year warranty period described above, the Company, upon request of the Developer/Owner, shall conduct a final inspection of the line(s) within thirty (30) days from such request. When all punch list items are completed to the satisfaction of the Company, the Company shall accept the lines for maintenance responsibilities. In certain locations, Local Facilities have previously been constructed by the Company or other Developers. In such cases, Developers or Owners shall be required to reimburse the Company for applicable costs prior to any connection or use.

5.3.3 Pipeline Sizing. Water distribution pipelines shall be sized adequately to serve the development tract for which they are designed. All pipeline systems shall be sized to accommodate the intent of the Company's Master Plan or as determined by the Company's Engineer. Where the distribution lines also have a regional transmission function serving areas outside of the subject tract, as determined by the Company's Engineer, then the Company may require that the lines be oversized. In such case, the Company shall contribute to the Actual Cost an amount equal to the extra cost of over-sizing.

5.3.4 Preliminary Design Procedures. Water distribution planning may be accomplished by the Company or by an Engineer licensed in Colorado, at the Developer's option. All preliminary plans and final designs must be prepared by, or reviewed by the Company's Engineer and approved by the Company. In any case, the Company Engineer or Inspector shall perform prescribed inspection services.

Any Developer desiring to have water lines (Local Facilities) extended shall notify the Company. Normally an engineering predesign report will be required. This report should address the benefited property owners, the proposed size and location of pipelines, and a preliminary cost estimate. This report can be prepared by the Developer's Engineer, or the Company's Engineer, at the Developer's option. In either case, the Developer is responsible for the cost of preparation and review.

After preliminary review by the Company, the Developer may proceed with final design; normally, during the preliminary phase, general conformity to the Master Plans will be reviewed and oversize requirements, if any, established. The Developer is responsible for obtaining these approvals as well as resolving any differences in design requirements imposed by the Company. The final design drawings shall be approved by the company prior to Ouray County Preliminary Plat approval. The drawings shall be submitted to the company 30-days prior to request for approval of the County for Preliminary Plan Approval.

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5.3.5 Easements/Rights-of-Way. All Water Mains must be installed in trenches containing no other conduits. The line and depth of such installations shall be as approved by the Company's Engineer. The topography and alignment of such rights-of-way shall be suitable for main installation as determined by the Company's Engineer. Preliminary and final planning shall be such that adequate space and easement reservations shall be made available permanently to the Company without charge, as approved by the Company Engineer. Where Local Facilities are to be located out of an existing public right-of-way dedicated for such water utility purposes, the Developer shall be responsible for obtaining easements required for the construction, maintenance, and operation of the facilities.

5.3.6 Final Design. The extension application and final design documents shall be furnished to the Company Engineer for review and thence to the Company for approval.

The submittal shall include construction drawings, specifications and other contract documents. These documents shall be prepared by the Company's Engineer or registered engineer acceptable to the Company. In all cases, the contract documents must be reviewed and approved by the Company. Plan and profile drawings shall be on a horizontal scale 1" = 100' and vertical scale 1"= 5'. All elevations must be USGS datum. Where practical, elevations of existing Company facilities shall be field verified in the final design. Designs and specifications must include the provisions included in Section 9, with other detailed provisions as required by good engineering practice, all subject to the Company's approval.

Designs for Water Main extensions shall be submitted for review at least thirty (30) days before approval is expected. Plans and specifications shall be submitted to the Company one week (7 days) prior to each reading. Plans, specifications and easements submitted for Company approval must be complete and meet with the approval of the Company Engineer. Such plans shall meet or exceed the requirements of the Log Hill Fire District and Ouray County then in effect for proposed development, including additional requirements under the Wildfire Mitigation Regulations of Ouray County, if any. The Company shall not be responsible for any failure of the Applicant's plans to conform to the requirements of the county or any governmental or regulatory agency.

Design approvals are valid for 12 months from the date of Company approval unless otherwise specifically noted in the approval. If construction is not substantially complete by that time, re-submittal of the plans may be required and new construction may not be initiated without the Company's specific approval.

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5.3.7 Construction Phase. After all approvals have been granted, the Developer must have the extensions constructed in strict accordance with the approved design and inspected by the Company's Engineer or Inspector.

Developer shall contract only with the Company or a contractor approved by the Company in writing for the installation of Water Mains, services, fire protection and all Water Main appurtenances necessary for the completion of the Water Main extensions. Developer agrees to enter into a written contract with the Company for water line extensions prior to installation. Developer shall not engage any contractor not certified by the Company for the installation of water lines and/or appurtenances to be connected to the Company water system, and in the event such work is performed, the Company shall not be obligated to accept such work into its utility system, nor to complete such work or to provide water service to installations performed by non-certified contractors. Further, the Company shall not be obligated to accept any utility lines into its system that are not constructed to the written standards of the Company as adopted at the time construction commences. Developer acknowledges that the Company's standards do not allow fire hydrant spacing to exceed five hundred feet between hydrants as measured along the roadways that serve the subdivision.

All costs related to the development and installation of water lines and appurtenances shall be borne by the Developer, including engineering fees and drafting costs. The Company Engineer or Inspector shall inspect to assure good quality construction, installation materials and practices in general conformity with the approved plans and specifications. The Company Engineer or Inspector shall not handle, or be responsible for, other construction phase related services (e.g., staking easement and/or line locations, measuring quantities, preparing pay estimates, and administrative or management-type relations with the contractor), unless the Company's Engineer is used for design or unless a specific contract for such services is executed with the Company. In no case shall the Company or the Company Engineer be responsible for job safety.

The Developer shall schedule a pre-construction conference on the job site with the Company Engineer/Inspector prior to construction. The Developer shall notify the Company five (10) working days prior to beginning construction, and thereafter, keep the Engineer or Inspector informed of the construction schedule. No work may be covered, hidden, or completed without the Engineer/ Inspector presence and approval. Any Engineer/Inspector time or expense caused by the Developer/Contractor as it relates to the work to be performed shall be charged to the project as part of the actual cost and paid by the developer. Invoices will be submitted to the developer from time to time and developer agrees to pay per these timely.

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Construction staking shall be completed prior to the installation of the water lines. All staking shall be maintained throughout the installation of the water lines. Staking shall include easement or right-of-way stakes and cut/offset stakes (50 ft max. spacing unless otherwise approved).

5.3.8 As-Built Drawings. Accurate "as-built" drawings (sealed by the Design Engineer) showing adequate ties to physical facilities must be provided at the completion of work by the Owner's/Developer's Engineer. The Company or its Engineer shall be provided with a reproducible set of "as-built" drawings on mylar. These may be the original tracings or photographic reproducibles. If the base drawings have been prepared by CAD methods, then a disc containing all the as-built information shall be furnished. As-built drawings shall furnish information in a manner similar to the approved standard drawing "Typical As-Built Information" in Appendix C attached hereto.

5.4 LINE EXTENSIONS TO NON-CONTIGUOUS PROPERTY. In the event Regional Facilities, including Water Main(s), are required to be extended to property within the Company's Service Area that is not adjacent to property currently served by the Company with actual water service (hereinafter referred to as "Remote Customer"), the provisions in this paragraph shall apply. The costs of construction and installation of such required line extension and Regional Facilities shall be the responsibility of the Remote Customer, subject to the right of rebate or reimbursement as set forth in Section 6 below. All such line or Regional Facility extensions shall first require the execution of a Line Extension Agreement in the form approved by the Company prior to the commencement of construction or recordation of any applicable final plat for the property to be served. Such Agreement shall set forth the respective rights and obligations of the parties regarding the extension of water service to the Remote Customer property.

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SECTION 6 – RATES AND CHARGES

6.1 GENERAL. The Company has certain fees that it charges its Customers. The current fee rates are given in Section 7. These fees may be increased or decreased by the Company upon approval of the PUC.

6.2 REBATE AGREEMENTS/FEES. In circumstances where a Developer or Customer is required to construct and invest in Regional Facilities, which can partially benefit future development, the Company may enter into Rebate Agreements, payable from fees collected from future Developers or Customers, in the circumstances described below.

6.2.1 Adjacent Developments. The Company may require a Developer to install distribution mains in a street or easement bordering his tract so that future development on the other side of the street or easement can directly obtain service through the subject lines. In such circumstances, the Developer shall be entitled to a rebate. The rebatable amount shall be assigned to the Developer/Owner as approved by the Company. Customers applying to tap the subject line shall pay the applicable rebate costs prior to tapping.

6.2.2 Connecting Lines. Where a proposed development is not contiguous to existing development (i.e., Remote Customer), the Company may require the Developer to construct intervening connecting water line. In this case, the Company shall set an amount for maximum rebate, being the approved Actual Cost of the connecting line. This rebate amount shall be assigned to Owners of the intervening property if, in the opinion of the Company, the intervening Owners can make reasonable use of the line in the future. Future Developers or Customers in the intervening area shall be required to rebate the Actual Cost, or a prorate portion thereof, before connecting other mains or services to the subject line.

6.2.3 Oversize. Where the Company requires that a line be oversized for future users, the Company may pay for incremental cost associated with the oversize directly.

6.2.4 Rebate Amounts. Where the Developer did not have the facilities installed after advertised bids, the Actual Cost shall be as estimated by the Company's Engineer and approved by the Company. In case of disputed eligibility of costs, the Customer may file an informal or formal complaint with the PUC.

6.2.5 Rebate Periods. A Rebate Agreement may be made for any period of time, but not more

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than a maximum period of ten (10) years from the date of facilities acceptance.

6.3 SERVICE CONNECTION FEES. Service Connection Fees cover the Actual Cost of design, installation, inspection and records processing for connecting the taps and installing Water Service Lines. If multiple inspections are required because of poor installation or poor scheduling on the part of the contractor, the costs associated therewith are included in the Service Connection Fees. The Customer shall pay the Actual Cost as a Service Connection Fee.

6.4 WATER TAP FEES. These are fees designed to provide a recovery of capital investment attributable to construction, improvement, upgrade, major repair and replacement of Regional Facilities of the Company's water systems, among other purposes as defined in Section 1 herein. The current fee schedule is included in Section 7.

6.5 BASE SERVICE CHARGE. The Company shall charge a Base Service Charge to any owner of a Water Tap. The Base Service Charge covers generally fixed portions of water operation, maintenance and replacement costs (*i.e.* those costs which are largely independent of actual water usage) and are designed to represent the proportionate cost to an owner for continuing to make capacity available in the future.

6.6 METER IN-SERVICE CHARGES. The Company will assess this monthly recurring charge to those Customers who are connected to the water system. Meter In-Service charges shall be billed as shown in Section 7.

6.7 CONSTRUCTION WATER CHARGE. A non-refundable construction water charge shall be paid when the applicant for a new water service desires to have water service available at the premises for construction use prior to the time a meter may be properly set and protected from damage. Payment of the construction water charge will enable the premises to receive un-metered water service for construction use until the service is activated. Occupancy of the premises shall not occur until a meter shall have been installed. The non-refundable construction water charge shall be established by the Company. The construction water charge shall be sufficient to generate the revenues estimated to have been collected if a meter had been installed.

6.8 WATER TRANSFER TAP FEES. No Water Tap Fees paid on behalf of one property or Owner, or any portion thereof, may be transferred to any other property or Owner without the written approval of the Company. The Company charges a Water Tap Transfer Fee to cover administrative costs of maintaining and updating Customer ownership and billing records. No water tap shall be transferred on the records of the Company without receipt of a Water Tap

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Transfer Agreement signed by the prior and new owners of a paid Water Tap.

6.9 WATER USAGE RATE. This rate is assessed to the Customer for 1,000 gallons of water. This rate will be billed based on actual usage.

6.10 FINANCE CHARGES. A bill is considered to be past due if charges are not paid with 30 days from the due date on the bill. The Company shall have the right to assess an interest charge at a rate of one percent (1%) for residential customers and one and one-half percent (1.5%) per month for commercial customers on the unpaid balance.

6.11 RETURNED PAYMENT FEE. The Company shall charge a Returned Payment Fee for each check or payment that is not honored by the Company's bank for insufficient funds or for any other reason not the fault of the Company. The fee will be \$20.00.

The Company has the right to assess to any Customer who is overdue in payment of his/her account, all legal, court, disconnection, blockage and other costs necessary to, or incidental to, the collection of said account.

6.12 DEPOSIT. The Company shall not charge its Customers a deposit for water service in order to guarantee payment of current bills.

6.13 TURN-ON/TURN-OFF FEE. The Company shall charge a Turn-on/Turn-off Fee to every Customer whenever water service to the property is either turned-off or to turned-on, except that the Turn-on/Turn-off Fee shall not be charged if Customers require turn-on/turn-off for maintenance of their Water Service Line.

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SECTION 7 - SCHEDULE OF UTILITY RATES AND FEES

	<u>Monthly</u>	
Base Service Charge	\$44.76	(I)
Meter In-Service Charge	\$33.70	(I)
	<u>Non-Recurring</u>	
Water Tap Fee	\$7,000	
Turn-on/Turn-off	\$50.00	
Water Tap Transfer Fee	\$50.00	
After-Hours Fees		
First Hour	\$60.00	
Additional Fifteen (15) Minutes	\$15.00	
	<u>Usage</u>	
Customer Usage Fee per 1,000 gallons	\$9.45	(I)
Water Distribution Fee per 1,000 gallons	\$1.52	(I)
Raw Water Fee per 1,000 gallons	\$7.50	
Service Connection Fee		Individual Case Basis

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SECTION 8 - SERVICE LINE STANDARDS

8.1 GENERAL. The sizing of service lines shall be the responsibility of the Applicant. When requested by the Company, the Applicant shall, at his expense, furnish data, plans, calculations, or other information as required for the evaluation of the service.

Point of Connection. Service lines shall connect to the Company's system in a public street or similar place where the Company has a free right of access and which other wise is suitable for the buried pipe.

The Customer for a service connection shall notify the Company when the Water Service Line is ready for connection to the Company's main. The connection to the main shall not be made until after the Company's inspection and approval. The actual connection to the main shall be made in the presence of the Company's Inspector, or shall be made by the Company, at the Company's option.

Where parallel or approximately parallel to a structural wall, the service shall be at least 5' from the wall. Penetrations through structures shall be approximately at right angles and shall provide flexibility such that the service shall not be damaged by differential movement.

All potable Water Service Lines are to be constructed in accordance with applicable codes, generally accepted good construction practices, and the minimum standards and details contained in this Appendix. The details are provided for standardizations purposes only, and represent minimum design standards which may require upgrading for specific applications.

8.2 POTABLE WATER SERVICES.

8.2.1 Sizing. Sizing for potable water services shall be made in general conformance with AWWA Manual M11, "Sizing Water Service Lines and Meters".

8.2.2 Location. The water service shall be laid at uniform grade and in straight alignment so as to have a minimum cover of 6.0 feet from final finish grade. A reference mark shall be placed on the curb above the service line. The water meter shall be placed in a pit located at the property line.

When the preferred location is not reasonably available or would result in unreasonable costs, the Company may permit an in-building installation. In this case, the meter shall be located at an

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easily accessible location inside a building on the premises to be served, provided that there shall be no reasonable possibility for water to be taken from Water Service Line without passing through the meter, and further provided, where applicable, a remote reading device be installed. In this case, Company maintenance responsibility ends at the property line.

8.2.3 Cross Connections. Cross connections of any type that permit a backflow condition from any source other than the Company's potable Water Mains are prohibited. The Company shall not provide water service to any Customer unless the potable water supply is protected from potential or actual cross connections as required by State and Company Rules and Regulations.

8.2.4 Pipeline Materials. Water Service Pipeline: The water service pipeline shall be Type K, soft copper conforming to ASTM B88, unless otherwise specifically approved by the Company. Fittings shall be brass or copper alloy. Connections shall be by flared joints and no soldered joints shall be permitted underground. Thaw connections should be provided.

Corporation Stops: Corporation stops shall be used for the connections of services (2-inch and smaller) to the Water Main. Corporation stops shall be brass and conform with AWWA C800. The inlet shall be standard AWWA corporation stop inlet thread and the outlet shall be for flared type "K" copper service pipe. Corporation stops shall be Mueller H-15000, Ford F-600, or approved equal.

Curb Stops: Curb stops shall be placed on the inlet side of the meter pit for all services 2" and smaller. Curb stops shall be brass and conform with AWWA C800. Connections shall be for flared type "K" copper service pipe. Curb stops shall be Mueller H-15204, Ford B-22, or approved equal.

Service Saddles: Service saddles shall be used for all water taps on any pipe other than DIP (Ductile Iron Pipe). For DIP, 3/4" taps may be made without using a service saddle on 6" pipe; 3/4" and 1" size taps may be made without service saddles on pipe 8" size or larger. All other taps shall be made with a double strap bronze saddle, Rockwell No. 323 or approved equal.

8.2.5 Meters. Unless otherwise approved, water meters shall be housed in an exterior meter pit in accordance with the standard drawing. In-building meters with remote exterior readouts may only be used if specifically approved by the Company. Meters shall be SR11, positive displacement with touch read register.

Pits: Potable meters 2" and smaller shall have a circular reinforced concrete barrel. Barrel

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sections shall be of 5,000 psi minimum strength concrete, with a wall thickness of not less than 2". Reinforcing shall not be less than No.9 circular wire, 6 inches on center. Setting shall consist of a lower bell section with opening at the bottom to allow for entrance/exit of the service line. Barrel sections shall fit together allowing no visible gaps and the top section shall be shaped for placement of the meter box cover. Adjustable grade rings shall be of reinforced concrete or cast iron. For meters 1" and smaller, the Company may accept the alternate use of an approved plastic meter pit. (Mid States Plastics, insulated, or approved equal.)

For 1 1/2" and 2" meters, 48" or larger precast concrete manhole sections (conforming to ASTM C478) may be used per Drawing B.3. Larger size meter vaults shall be as approved by the Company Engineer.

Meter Pit Covers: For 3/4" and 1 " meters, covers shall be constructed of cast iron with rubber or plastic inner frost lid. The top lid shall be of cast iron with a worm type lock operated by a pentagon head. The lid and cover shall be Ford Wabash No. W3 or approved equal. All covers to be insulated.

For larger meter installations, the meter cover shall be Ford No. 24 with inner cover, except when located in street paving.

Meter Settings: All 3/4 "and 1" meters shall be set with copper setter having an internal angle curb valve on the inlet side. Yokes shall be Ford 70 series or approved equal. Meters larger than 1" shall have (sealed) valve bypasses and be set in accordance with the detail given or as approved by the Company.

8.2.6 Excavation, Bedding and Backfill. All excavations for water and sewer installations shall be adequately guarded with barricades and lights so as to protect the public from hazard per existing governmental requirements. Street, sidewalks, parkways, and other public or private property disturbed in the course of work shall be restored to their original condition in a manner satisfactory to the Company.

The pipelines shall be bedded and backfilled in accordance with the appended drawings, "Pipe Trench Detail-Water," Drawing C.5. Where danger of frost is possible at 6 ft. of cover, closed cell insulation shall be installed over the service line.

Water service lines shall have 10' minimum of horizontal separation. Where this separation is impractical the Company may permit other separation requirements, in accordance with the

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Colorado Department of Public Health and Environment Standards.

All excavations required for the installations of a water and sewer service shall be open-trench work unless otherwise approved by the Company.

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SECTION 9 - LOCAL DISTRIBUTION SYSTEM STANDARDS

9.1 GENERAL. Local Facilities are considered to be engineered improvements, which are designed for specific applications. All designs, drawings and specifications must be prepared by, or under the direction of, an Engineer registered in Colorado, whose seal must be on a record set of documents.

The standard details and specifications contained herein are minimum design standards, which the Company shall accept in order to facilitate perpetual operation and maintenance procedures. In addition, the Engineer must also design in accordance with the minimum standards of other regulatory agencies. Review and approval of Local Facilities designs by the Company or its Engineer shall not relieve the Engineer of Record from responsibility for adequate design.

9.2 DRAWINGS. Unless otherwise approved by the Company Engineer, all design drawings shall be on 24" x 36" mylar, using ink for all background information and permanent pipeline work. Drawings scale for area plans shall be 1" = 50'. The cover sheet for each drawing set shall have an approval block as shown on Exhibit C.1. Original mylars and discs (if CAD based drawings) shall be delivered to the Company after acceptance.

Prior to the construction or installation of any Local Facilities, the Developer shall submit Design Documents to the Company for review and approval. Each construction drawing set shall have an "approval block" affixed thereto which provides for the signatures of authorized representatives of the Company, the Company's Engineer. Project review and approval by the Fire Protection Agency is required for water distribution facilities. The "approval block" shall be a facsimile of that appended to these Standard Specifications, Drawing C.1.

The Developer shall also provide a complete set of record drawings for the facilities. The record drawings shall show adequate dimensioned ties to surface features for all buried facilities to allow for future locating. The record drawings shall be mylar transparencies suitable for blue line reproductions. As-builts shall be in general conformity to the Standard Drawing "Typical Record Drawing Information," Drawing C.2.

9.3 REQUIRED EASEMENTS. Where Local Facilities are to be located out of the public right-of-way, the Developer shall be responsible for obtaining easements required for the construction, maintenance, and operation of the facilities. The legal description for the easements shall be prepared by a Registered Land Surveyor in the State of Colorado. Easements

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shall be in a form acceptable to the Company and shall be shown on the construction drawings. The Company shall not approve the Contract Documents until all required easements have been deeded to the Company.

In general, the minimum width of easements for pipelines shall be 24 feet. Temporary construction easements shall have a minimum width of 30 feet. Wider easements may be required for deep sections of pipeline, multiple lines, storm sewers and overflow swales, or where otherwise required by the Company.

9.4 POTABLE WATER DISTRIBUTION SYSTEM.

9.4.1 Design/Sizing. Water mains shall be designed to meet the more stringent of the following two conditions:

- a. Maximum hourly demand with pressures not less than 40 psi at any point of the distribution system, or
- b. Maximum daily demand rate plus fire flow demand (as determined by ISO guidelines) with delivery pressure of not less than 20 psi at the hydrant.

The normal minimum size water distribution main shall be 8," or 6" for short looped lines in single-family residential areas. Smaller mains may be individually approved by the Company for dead-end mains without fire hydrants or the possibility of future tie-ins with other mains.

Water mains sizing and connections shall be reviewed with the Company Engineer prior to final detailing and drafting. The systems shall be designed to maximize interconnections and strengthening of the Company's water system. Where certain lines may also have a transmission function, in the opinion of the Company, the Company may direct that such lines be oversized, and the Developer's Engineer shall so design the system. In this case the Company shall pay the actual Oversize costs.

Water pipelines shall have a minimum cover of 6.0 feet. Pipelines shall not be placed deeper than 10 feet without approval by the Company.

Regulations normally require a 10-foot minimum horizontal separation between water and sewer mains. When located in public streets, potable water pipelines shall normally be located about 11 feet north or east of, and parallel to, the roadway centerline. Whenever a crossing must occur

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where a sewer main passes within ten feet horizontally of a Water Main, and where the Water Main is not at least 18-inches vertically clear above the irrigation water or sewer main, special construction shall be required in accordance with the “Sewer Crossing Water Line Detail,” Drawing 9.3.

9.4.2 Pipe. All Water Mains shall be ductile-iron pipe, conforming to ANSI A21.51, Class 52 minimum thickness. Pipe joints shall be push-on type in accordance with ANSI A21.11. Pipe shall have a cement mortar lining meeting AWWA 104 and bituminous exterior coating.

Fittings shall be ductile-iron or cast-iron, minimum 250 psi working pressure, conforming to AWWA C153 or C110 with mechanical joint connections meeting AWWA C111. Lining and coating shall match pipe.

Sheathing: All ductile-iron pipelines, valves, and fittings shall be polyethylene sheathed in accordance with ANSI A21.5, AWWA C105, 8 mil minimum thickness.

Buried Valves: Valves, 12” and smaller, shall be non-rising stem, bronze mounted gate valves with mechanical joint ends conforming with AWWA C500. Valves shall have 2” square operating nuts and open left (counterclockwise rotation). Valves shall be Mueller, Clow, Waterous, or approved equal.

Valve Boxes: Each buried valve shall be provided with a cast iron valve box and round cover. The box shall have a minimum inside diameter of 5 1/4” and be adjustable in length and of screw type. The word “WATER” shall be cast on the cover. Valve boxes shall be Tyler, Clow, or approved equal. Valve boxes shall allow for at least 3” additional extension above the level required for final grade at the time of installation.

Fire Hydrants: Fire hydrants shall be of the dry barrel type and conform with AWWA C502. Hydrants shall have a 5 1/4” main valve, two 2 1/2” hose connections and one 4 1/2” pumper connections. Hydrants shall have 6-inch mechanical joint connections and safety traffic flange. Fire hydrants shall be Mueller Centurion No. A-423, Waterous Pacer WB-67 with bronze seat ring, or approved equal.

9.4.3 Fire Hydrant Installation. Fire hydrants shall be located as required by the Company and as approved by the Fire Protection Authority. The Developer shall be required to obtain the approval by the Fire Protection Authority for fire hydrant locations. Fire hydrants shall be installed in accordance with the drawing “Standard Fire Hydrant Detail,” Drawing C.4.

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9.4.4 Pipeline Installation. Water pipelines shall be installed in a thorough and workmanlike manner in accordance with the Design Documents that have been approved by the Company. The minimum bedding and backfill requirements for pipelines and appurtenances shall be as shown on Drawing C.5, “Water Main and Service Bedding and Backfill Details.”

All pipeline fittings (i.e. bends, tees, plugs, and caps) shall be installed with concrete thrust blocks adequately designed for the specific application. Thrust blocks shall be cast-in-place from concrete having a minimum compressive strength of 3,000 psi. Alternate means of thrust restraint may be considered and approved for use where proven to provide similar restraint. Supplemental restraint may also be used where the Engineer believes the soil bearing pressures to be inadequate, or is concerned about subsequent movement.

9.4.5 Testing. All finished water lines, after reaction blocking is in place, shall be pressure and leakage tested at not less than 150 psi.

No pipeline installation shall be acceptable until the leakage is less than the amount computed by the following formula:

$$L = \frac{SD(P)^{0.5}}{133,200}$$

L = Allowable leakage in gallons (per hour)

S = Tested length of pipe (feet)

D = Nominal diameter of pipe, inches

P = Average test pressure during the test, psi

9.4.6 Disinfection. All water piping shall be disinfected in accordance with AWWA C601 after all construction work has been completed. Chlorine shall be added to the water at the necessary locations in the amount to form a 50 ppm free chlorine residual. The chlorine solution shall be left in the pipelines for not less than 24 hours, during which time all valves and fire hydrants shall be operated in order to disinfect the appurtenances. After that length of time, the chlorine residual of the solution, at any place in the system, shall not be less than 10 ppm. All chlorination work must be done under the supervision of the Engineer. At the end of 24 hours, a bacteriological test is to be performed by the local health authority to insure adequate disinfection.

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